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55 Hudson Street
Hackensack, New Jersey 07601
(201) 498-0400
Attorneys for H&R Block Bank

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY

In re:	CHAPTER 7 CASE NO.: 11-42200 (KCF)
WAYNE DRAGER, and CHRISTINE DRAGER,	Hearing Date: April 23, 2012
Debtors.	**DECLARATION OF MICHAEL A. RICHARDS**

MICHAEL A. RICHARDS, pursuant to 28 U.S.C. §1746, hereby declares as follows:

1.   I am employed as Manager-Financial Services of H&R Block Bank ("H&R Block"), and work out of the corporate headquarters located at One H&R Block Way, Kansas City, Missouri 64105. This is the only physical office location for H&R Block.

2.   I submit this Declaration based on facts within my personal knowledge, and in opposition to the Debtors' motion seeking damages based on an alleged willful violation of the automatic stay. The entire motion, which I have personally reviewed, is premised on a computer-generated billing account statement sent by H&R Block in the ordinary course and without knowledge of the Debtors' bankruptcy filing. For the Court's convenience, I am attaching a copy of this statement as **Exhibit A**. As noted on this statement, Mr. Drager maintained an Emerald Account with H&R Block. Emerald Advance account statements are sent automatically each month by one of H&R Block's vendors, TSYS.

3.   At the outset, I want to emphasize that H&R Block's transmittal of the computer-generated account billing statement was inadvertent because H&R Block did not receive proper service of the bankruptcy filing at the post office box address listed by the Debtors on their bankruptcy petition.   As I will explain in the ensuing paragraphs, this post office box is a mail drop for customer payments only.

4.   I am also providing a copy of the reverse side of this statement as **Exhibit B.** The terms appearing on the reverse side of this account statement instruct customers to send written notices to H&R Block as follows:

BILLING RIGHTS SUMMARY

What To Do If You Think You Find A Mistake On Your Statement

If you think there is an error on your statement, write to us at:

H&R Block Bank
Attn: Emerald Advance Disputes
PO Box 10170
Kansas City, MO 64171

In your letter, give us the following information:

- *Account information:* Your name and account number.

- *Dollar amount:* The dollar amount of the suspected error.

- *Description of Problem:* If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us within 60 days after the error appeared on your statement.

5.   With the exception of the motion papers that were faxed to H&R Block's legal department on April 3, 2012, see **Exhibit C**, H&R Block's records do not reflect our receiving any notices from the Debtors' attorney informing us about any stay violations.

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6.   Sheet 2 of 4 of Schedule F of the Debtors' bankruptcy petition, which is also attached to the Debtors' sworn statement, identifies H&R Block Bank as a creditor in an "unknown" amount with the following post office box address:

PO Box 7235
Sioux Falls, SD 57117

7.   The Certificate of Notice attached to the Debtors' sworn statement also identifies the same post office address for H&R Block.

8.   The aforementioned post office box (PO Box 7235, Sioux Falls, SD 57117) is merely a payment address where customers mail their payments to H&R Block. It is not intended to serve as a depository for customers to serve legal or bankruptcy notices on H&R Block.

9.   The only physical office location maintained by H&R Block Bank is its corporate headquarters at One H&R Block Way, Kansas City, Missouri 64105.

10.   Although the Certificate of Notice attached to the Debtors' sworn statement reflects that notice of the Debtors' bankruptcy filing was sent to H&R Block at PO Box 7235, Sioux Falls, SD 57117, our corporate headquarters did not receive the initial bankruptcy court notice.   Consequently, the bankrupt status of the Debtors was not entered in our company's database system resulting in a computer billing statement being generated and sent to the Debtors in the normal course of H&R Block's business operations.

11.   I should also mention that H&R Block did not receive service of the Debtors' motion initially addressed to two different post office boxes, including PO Box 7235, Sioux Falls, SD 57117. The first time that H&R Block received service of the motion was by fax sent by the Debtors' attorney on April 3, 2011. See **Exhibit C** annexed hereto.

12.   Now that H&R Block has been made aware of the Debtors' bankruptcy filing, we have taken steps to ensure that no further billing account statements will be sent to them.

I declare under penalty of perjury that the foregoing is true and correct.
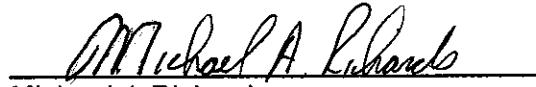
_____
Michael A Richards

Dated: April 12th, 2012

EXHIBIT A

Apr 03 2012 1:58PM   HP LASERJET FAX   P.9

MAR-09-2012 15:16 From: 6098962224   To:716095814403   P.1/1

H&R BLOCK
bank

H&R BLOCK BANK
PO BOX 1235
SIOUX FALLS SD 57117 7235

EMERALD ADVANCE

H&R BLOCK BANK
P.O. BOX 3052
MILWAUKEE WI 53201-3052

Make Check Payable To

ACCOUNT NUMBER	
PAYMENT DUE DATE	March 15, 2012
AMOUNT DUE	$1,281.42
BALANCE AS OF 02/17/12	$1,281.42

WAYNE DRAGER
22 WEYMOUTH DR
TRENTON NJ 08610-1219

AMOUNT ENCLOSED

$

☐ Please check here to indicate your address change and complete form on reverse side

7714001030072961012814201281426

Emerald Advance Statement
7714-0010-3007-2961
Statement for Period: January 17, 2012 - February 17, 2012

Your Emerald Advance line of credit is past due.

Payment Options
Please send your payment by check or money order to H&R Block Bank using the enclosed
envelope or if you have signed up for Automatic Payments please make sure your payment
amount is on your H&R Block Emerald Prepaid MasterCard(R) by the payment due date.

Summary of Account Activity

Previous Balance	1,281.42
Payments	0.00
Other Credit	0.00
Cash Advances	0.00
Late Payment Fee	0.00
Miscellaneous Fees Charged	0.00
Interest Charged	0.00
New Balance	1,281.42
Credit Limit	0.00
Available Credit	0.00
Past Due Amount	1,281.42
Statement Closing Date	February 17, 2012
Days In Billing Cycle	31

QUESTIONS?

Call Customer Service   1-866-353-1266

Please send billing inquiries and correspondence to:
PO Box 10170 Kansas City MO 64171

Billing Rights are Preserved Only By Written Inquiry

Please See Reverse Side for important information

Payment Information

New Balance	$1,281.42
Minimum Payment Due	$1,281.42
Payment Due Date	March 15, 2012

Late Payment Warning: If we do not receive your
minimum payment by the date listed above, you may
have to pay a $7.50 late fee. Payments received
before 5:00 PM central time will be applied to your
account on the day of receipt.

Minimum Payment Warning: If you make only the
minimum payment each period, you will pay more in
interest and it will take you longer to pay off your
balance. For example:

If you make no additional charges using this credit card each month	You will pay off the balance shown on this statement in about...	And you will end up paying an estimated total of...
Only the minimum payment	9 months	$0

If you would like information about credit counseling
services, call 800-388-2227.

2012 Year-To-Date Totals

Total fees charged in 2012	0.00
Total interest charged in 2012	0.00

Interest Charge Calculation

Your Annual Percentage Rate (APR) is the annual interest rate on your account.

Type of Balance	Annual Percentage Rate (APR)	Balance Subject to Interest Rate	Interest Charge
Cash Advances	0.00%	$961.79	$0.00

Page 1 of 1

EXHIBIT B

▲ Detach here and return above portion with your remittance. Please retain lower portion. ▲

HOW WE CALCULATE THE BALANCE SUBJECT TO INTEREST RATE

We use a method called "average daily balance (including new purchases)." This balance is figured by adding the outstanding balance (including new purchases and deducting payments and credits) for each day in the billing cycle, and then dividing by the number of days in the billing cycle.

CREDIT BALANCES

If there is a credit balance on your account, it will be shown by a "CR" next to the amount shown as the New Balance. This is money we owe you.

GRACE PERIOD

You have no grace period in which to repay your balance before an interest charge will be imposed.

PAYMENT

You can make a payment on your Emerald Advance by mailing a check or money order to: H&R Block Bank, P.O. Box 3052, Milwaukee, WI 53201-3052 or by calling the number on the back of your Emerald Card to authorize a one-time payment of money from your Card or your Emerald Savings Account to your Emerald Advance. If we receive your payment as provided above by 5:00 pm Central time on a business day, it will be credited to your Emerald Advance on that day.

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H&R Block Bank
Attn: Emerald Advance Disputes
PO Box 10170
Kansas City, MO 64171

In your letter, give us the following information:

- *Account information:* Your name and account number.

- *Dollar amount:* The dollar amount of the suspected error.

- *Description of Problem:* If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us within 60 days after the error appeared on your statement.

You must notify us of any potential errors *in writing*. You may call us at 1-866-353-1266, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

While we investigate whether or not there has been an error, the following are true:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.

- The charge in question may remain on your statement, and we may continue to charge you interest on that amount. But, if we determine that we made a mistake, you will not have to pay the amount in question or any interest or other fees related to that amount.

- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.

- We can apply any unpaid amount against your credit limit.

H&R BLOCK EMERALD ADVANCE LINE OF CREDIT AGREEMENT

For more information about the terms of your account, see your H&R Block Emerald Advance Application and the related Terms and Conditions.

R0070-4714C-1110

EXHIBIT C

THE LAW OFFICES OF
PETER E. ZIMNIS
Whitehorse Executive Center
1245 Whitehorse-Mercerville Rd, Suite 412
Trenton, New Jersey 08619

Telephone (609) 581-9353
Fax (609) 581-4403

PETER E. ZIMNIS
JOHN ZIMNIS

FAX TRANSMITTAL

DATE: 4/3/12

TO: H & R Block Bank Attn Legal Department

FAX: 816 854 - 8050

FROM: Peter E. Zimnis, Esq.

RE: Wayne Droger   7714 - 0010 - 3007   2961

THIS TELECOPY IS INTENDED ONLY FOR THE CONFIDENTIAL USE OF THE INDIVIDUAL OR ENTITY TO WHOM, IT IS ADDRESSED AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL, AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. If a reader of this page is not the addressee or the employee or agent responsible for delivering this telecopy to the addressee, you are hereby notified that any dissemination, distribution, or copying of this telecopy or information contained herein is strictly prohibited. If you received this telecopy in error, please notify the sender immediately by telephone and return the original telecopy by U.S. Mail. Thank you.

Cc:

11 pages